

# Meeting of Council, 9 February 2023

## Agenda item 7, Notice of Amendment (Council Procedure Rule 2.13.4) - Revenue Budget 2023/24 and Capital Programme 2023/24 to 2027/28

Councillor Jonathan Essex will propose and Councillor Paul Chandler will second.

Amendments to the Recommendations (Minute Ref. 57) on the Revenue Budget 2023/24 and Capital Programme 2023/24 to 2027/28 (Item 7 on the agenda) as set out below:

### Amendment Narrative / Explanation

This budget amendment covers the following areas of action:

- Community Support Programme
- Deliver Environmental Sustainability Strategy
- Complete Recycling Roll-out
- Make Use of Empty Homes
- Strengthen Countryside and Biodiversity Management
- Improve Town Centre Management
- Capital Programme to deliver 2020-2025 Corporate Plan

These are set out in more detail below.

#### Revenue Budget Proposals

##### 1. Community Support Programme

###### Proposed Budget Amendment

- Reverse the budget's cut to funding of local charities who serve and support the most vulnerable in our communities (£27,900 to Citizen Advice Reigate and Banstead, Age Concern Redhill, Reigate and Banstead, MHA Communities East Surrey & Stripey Stork).
- Actively plan to put to use the remainder of the proposed £150k reserve into a Community Support Programme that extends the use of our voluntary and community sector to strengthen community support across the borough during the cost-of-living crisis.

###### Rationale

- A typical household will experience a 43% rise in home energy prices from April 2023 to March 2024.<sup>1</sup> There is a need to increase support for households in fuel poverty, including by access to grants for home insulation and sustainable energy solutions as well as hardship payments.

<sup>1</sup> From April 2023, prices will rise by 20% on average, with a typical bill rising to £3,000/year from 1 April. It's then expected to stay at this level until 31 March 2024. Factoring in the £400 bill support everyone will get this winter, it's a typical 43% rise in April. <https://www.moneysavingexpert.com/utilities/energy-price-guarantee/>

- Citizen Advice Reigate and Banstead (CARB), like those across Surrey and the UK is experiencing much higher demand for its services. The estimated cut of funding to CARB alone would reduce paid staff, so limit the reach of volunteers and is estimated to reduce appointments by 800 over the next year at a time when CARB reports that other funding streams are also coming to an end. As highlighted in RBBC executive papers in January 2023<sup>2</sup>, in 2021/22 CARB supported 4456 residents with 17,480 issues. Most common needs are benefits advice, universal credit support, debt and employment advice and guidance.
- As was highlighted in a November Cabinet Report, over 500 new clients registered with Surrey Citizens Advice between April – June 2022 and support was given on over 1,600 cases, in particular around benefits, debt, housing and food banks.<sup>3</sup> The same is true for many other front-line community and voluntary organisations, from the community debt advice charity based in Redhill to local food banks.

Instead of reducing the limited grants to the local voluntary and community sector at the time their services are needed the most these cuts are proposed to be reversed with the remainder of the £150k revenue reversal put to use through a planned community support programme, delivered to address the cost-of-living crisis locally in ways that support our residents into the longer-term.

## 2. Deliver Environmental Sustainability Strategy.

### Proposed Budget Amendment:

Increase headcount to include the following additional posts within the sustainability team:

- Sustainable Transport Projects Officer (1 FTE)
- Sustainable Energy Projects Officer (1FTE)
- Circular economy Officer (1FTE)

Retain small fund for external funding, but direct capital investments (e. g. EV charging infrastructure) through capital programme pipeline.

**Budget** = 3 additional FTE = £149.25k, fully funded from the Environmental Sustainability revenue reserve

### Rationale

This would enable sufficient capacity to deliver on the commitments set out in the Environmental Sustainability strategy, playing our full part in delivering the Surrey Climate Strategy commitments in Reigate and Banstead, including to:

- Complete plan to fully retrofit the council's building assets by 2030, with a target of 50% by 2026. Work with SCC Greener Futures Team to procure

<sup>2</sup> <https://reigate-banstead.moderngov.co.uk/documents/g1961/Public%20reports%20pack%2026th-Jan-2023%2019.30%20Executive.pdf?T=10 pp 116-135>

<sup>3</sup> See UK Government Cabinet Report, 29 November: <https://mycouncil.surreycc.gov.uk/mgChooseDocPack.aspx?ID=8467> referenced in Surrey County Council budget for 2023 (see page 240 of <https://mycouncil.surreycc.gov.uk/documents/g8793/Public%20reports%20pack%20Tuesday%2031-Jan-2023%2014.00%20Cabinet.pdf?T=10>).

investment-grade feasibility studies to establish (self-funding) programme of capital investment. Integrate planned improvements with planned maintenance and facilities management.

- Deliver mandate that all vehicle purchases from now to be EV so virtually all converted to EV (or equivalent) by 2030. Liaise with green fleet procurement specialist at Surrey County Council to make it happen. Re-profile capital investment plan for vehicle purchases across council areas accordingly.
- Develop borough-level plans to deliver sustainable local transport that links the borough council's role in development management with the County Council's role as Local Highway Authority. This would include better integration of bus and train travel to each other (including at Redhill bus/train interchange) and to walking and cycling (including through the borough's new Local Cycling and Walking Infrastructure Plan).
- Strengthen collaboration with both Surrey CC and Raven Housing Trust to develop a plan to decarbonise housing across Reigate and Banstead. Replicate the pilot to enforce Minimum Energy Efficiency Standard for private sector landlords currently being trialled in Elmbridge.
- Strengthen the role of the circular economy to strengthen local supply chains, employment and wellbeing through: supporting local charity shops and reuse initiatives, widening community recycling opportunities (e.g. Terracycle, bike repair), encouraging local produce sourcing for local retail (including from farms).

This would be supported by establishment of a Capital Programme for Environmental Sustainability delivery in Reigate and Banstead, as noted further below.

### **3. Complete Recycling Roll-out**

#### Proposed Budget Amendment

An additional Recycling Officer post to plan and manage the recycling roll-out for full recycling services, including food waste collection, to all properties in Reigate and Banstead.

***Budget** = 1 additional FTE of £48.5k fixed-term contract role, with potential for longer-term position to engage in behaviour change to reduce contamination rates in communal properties.*

*Supported by capital programme cost of new food waste and mixed-waste recycling bins.*

#### Rationale

Recycling roll-out was started about 10 years ago and still has not completed despite several reminders. Other local authorities in Surrey have completed recycling rollout to flats or are much further advanced. Some residents are paying for a recycling service that they are not receiving because they live in flats. Solutions need to be created, planned and implemented. Landlords need to be strongly encouraged to participate in the provision of bin storage where necessary.

### Supporting Notes

**Return on investment.** The rollout of food waste to flats will not increase income as a flat fee is received from Surrey CC but this rollout is anticipated to increase income in dry mixed recycling by up to 1500 tonnes/annum (Estimated value £50 x 1500 tonnes = £75,000). It would also save Surrey County Council the disposal cost for this residual waste (Estimate value based on £110/tonne disposal cost = £165,000/annum. Finally, ongoing engagement with communal properties could have the potential to reduce the current 6% contamination rate for recycling in the borough. Therefore, it is considered that this role could be part-funded by increased recycling revenue in the short-term and be sustained in over a longer period.

**Capital cost and engagement with landlords.** There has been past engagement with the landlords of the remaining 5,970 properties so are aware of the current physical constraints. Of these, approximately 60% of these properties have social landlords and approximately 40% of the properties have private landlords. In some cases properties have little or no recycling facilities provided. In some cases it is known that residents have requested an improved service but there is a need to move forward the lack of progress in the council and these landlords providing a full recycling service. The addition of a (small) bin to facilitate weekly food waste collection should be possible in most situations but the introduction of mixed recycling services will require engagement, agreement and in the case of an expanded bin store, capital investment and planning consent. It is noted that there will be an additional cost to property owners if the new bins are a) to be secured in a bin store and b) that they are to be located where there is not currently hardstanding.

**Impact on refuse and recycling collection.** While there is additional cost of recycling vessels (to be funded by council) and potential planning agreement (which could be facilitated by dedicated council resource) and capital costs (where hardstanding and bin store is needed, as noted above) the service have advised that there would be no impact on the number of waste vehicles or council staff needed to collect the material separated for recycling.

**Contamination.** Around 6% of dry mixed recycling collected in Reigate and Banstead is contaminated. Having the same recycling services across all properties would support an increased focus on addressing this, with stronger engagement where recycling is not been undertaken by residents properly.

**Food Waste.** Over half of food waste in the Reigate and Banstead is thrown away (55%, or 6,200 tonnes of food a year). There is potential for behaviour change to support this to be composted or put out in food waste containers. Stronger communication and engagement to help support a significant reduction would be supported by all residents having the same recycling services.

#### **4. Make Use of Empty Homes**

##### Proposed Budget Amendment:

Establishment of a new Empty Homes Officer Role to deliver conversion of empty homes into housing for social rent.

**Budget = £48.25k (1 post) funded from the Homelessness Prevention reserve.**

### Rationale

This will enable the identification of empty properties and assist in realising opportunities to provide social housing in the private sector.

This would be support the delivery of the Capital Programme commitment to deliver more affordable housing locally, through identification and engagement to bring empty homes back into use (including above shops in town centres and other areas with a retail frontage).

## **5. Strengthen Countryside and Biodiversity Management:**

### Proposed Budget Amendment

Two additional posts in the Green Spaces team to take forward opportunities to better enhance green spaces and biodiversity, specifically strengthening countryside and biodiversity management.

***Budget = £101.5k (2 posts: Countryside Manager and Biodiversity Officer) funded from the Corporate Plan Delivery Fund***

### Rationale

There is a lack of management plans for some of our large green spaces and countryside areas. There is no all-encompassing strategy for enhancing the natural environment and biodiversity across Reigate and Banstead.

The proposed additional resource and strengthened management capacity would boost the capacity and in-house expertise to create a network of interconnected green spaces to better manage our countryside for nature, and resident access, across the borough. This should include increased management support to better maintain all sites of nature conservation and importance (SNCI) within Reigate and Banstead, under a management plan that is kept up-to-date in the public domain and complied with. This would also support bringing forth increased provision of allotments where demand outstrips supply across the borough and support opportunities brought forward through the playing fields strategy. The Biodiversity Officer is to ensure biodiversity opportunities are maximised in new developments and to enhance existing urban areas, as well as support the development of strengthened development management policies and guidance.

## **6. Improve Town Centre and Street Environment**

### Proposed Budget Amendment

A Town Centre Manager post to coordinate and improve the day-to-day management of the borough's town centres.

***Budget = £53.25k (1 post) funded from the Corporate Plan Delivery Fund***

### Rationale

The new town-centre manager post would focus on improving the quality of the borough's town centres, including through liaison with the borough's business guilds and engage with Horley Town Council on town centre management issues including through:

- Community engagement to improve public spaces, championing the role of our town centres and looking-after them on a day-to-day basis.
- Focal point to strengthen engagement with local stakeholders to improve town centre environment and collaboration, acting as a focus for improvements.
- Identify opportunities for improvements and local enhancements
- Deal with day-to-day maintenance issues, including quality of street furniture, liaison with street cleansing team
- Strengthen strategic place-based improvements to improve town centres, working with developers to ensure new schemes maximise potential and enhance the public realm.

## **7. Capital Programme to deliver 2020-2025 Corporate Plan**

- 7.1 Full Council to receive a report to establish and agree a Environmental Sustainability Capital Programme within six months including retrofit of council building assets and replacement strategy for council's vehicle fleet.
- 7.2 Develop a forward pipeline of social housing investments, including on public-sector land assets in the borough and through targeting smaller site opportunities such as empty homes and spaces above retail units.
- 7.3 Full Council to receive a report to approve addition of capital requirements to complete recycling roll-out into capital programme.

## **Financial Implications**

Confirmed by the Finance Team

The financial implications of the proposed amendments are summarised below.

1. Community Support Programme
  - £0.150 million annual service revenue budget cost
  - funded from the Economic Pressures Reserve in 2023/24.
2. Deliver Environmental Sustainability Strategy
  - 3.0 additional FTE
  - £0.150 million annual revenue budget cost
  - funded from the Environmental Sustainability Reserve (£53k) and Corporate Plan Delivery Fund (CPDF) (£97k) in 2023/24 and to be included in Service & Financial planning growth proposals for 2024/25 onwards.
  - The proposed capital investment is included at 7.1 below
3. Complete Recycling Roll-out
  - 1.0 additional FTE
  - £0.049 million annual revenue budget cost
  - funded from the Corporate Plan Delivery Fund (CPDF) Reserve in 2023/24 and to be included in Service & Financial planning growth proposals for 2024/25 onwards if roll-out is still underway.
  - The proposed capital investment is included at 7.3 below

4. Make Use of Empty Homes
  - 1.0 additional FTE
  - £0.049 million annual revenue budget cost
  - funded from the Homelessness Prevention Reserve in 2023/24 onwards.
  - The proposed capital investment is included at 7.2 below
  
5. Strengthen Countryside and Biodiversity Management
  - 2.0 additional FTE (Countryside Manager and Biodiversity Officer)
  - £0.102 million annual revenue budget cost
  - funded from the Corporate Plan Delivery Fund (CPDF) Reserve in 2023/24 and to be included in Service & Financial planning growth proposals for 2024/25 onwards.
  
6. Improve Town Centre Management
  - 1.0 additional FTE
  - £0.053 million annual revenue budget cost
  - funded from the Corporate Plan Delivery Fund (CPDF) Reserve in 2023/24 and to be included in Service & Financial planning growth proposals for 2024/25 onwards.
  
7. Capital Programme to deliver 2020-2025 Corporate Plan
  - 7.1 Environmental Sustainability Capital Programme

Capital costs and funding are subject to confirmation in the proposed report to Council within six months, to include:

    - direct capital investments (e. g. EV charging infrastructure)
    - plan to fully retrofit the council's building assets by 2030, with a target of 50% by 2026;
    - convert virtually all vehicles to EV (or equivalent) by 2030.
  
  - 7.2 Forward Pipeline of Social Housing Investments

Capital costs and funding are subject to confirmation in the proposed report to Council during 2023/24, to include:

    - on public-sector land assets in the borough and through targeting smaller site opportunities (empty homes and spaces above retail units)
  
  - 7.3 Complete Recycling Roll-Out

Capital costs and funding are subject to confirmation in the proposed report to Council during 2023/24, to include:

    - cost of new food waste and mixed-waste recycling bins
    - cost of provision of hardstanding and bin stores

## **Financial Implications Summary**

### **Revenue Budget:**

2023/24

- £0.553 million additional expenditure and increased call on earmarked Revenue Reserves; reducing the forecast balance on earmarked Reserves at 1 April 2023 to £32.851 million.

#### 2024/25 onwards

- Ongoing revenue budget growth of up to £0.538 million to be taken into account in the next Medium Term Financial Plan update and Service & Financial Planning for 2024/25 onwards; to be funded from equivalent budget savings and/or income generation across all Council services.

#### **Capital Programme:**

The expenditure and funding implications of the amendments are subject to confirmation in the proposed further business cases and reports to Council during 2023/24 to seek approval to amend the approved Capital Programme.

To include business cases for investment in:

- Electric vehicles and charging infrastructure;
- Housing;
- Retrofitting council assets;
- Recycling roll-out.

With the exception of investment in Housing Delivery, which is already included the Capital Programme, the proposed investment would require approval of funding (expected to be primarily prudential borrowing) with a consequent revenue budget impact that would have to be taken into account in Service & Financial Planning for 2024/25 onwards.

### **Revised Budget Recommendations as a consequence of the Amendment:**

<b>Original Budget Recommendation</b>		<b>Revised Budget Recommendation</b>	
Ref		Ref	
	That Executive recommend to Council:		
(i)	The latest Medium-Term Financial Plan forecast at Annex 1		[No change]
(ii)	An increase in Reigate & Banstead's Band D Council Tax of £7.25 (2.99%) and a final taxbase of 63,495.31 Band D equivalents;		[No change]
(iii)	A Revenue budget requirement of £23.194 million for 2023/24, as set out in this report and at Annex 2, which reflects:	(iii)	A Revenue budget requirement of £23.747 million for 2023/24, as set out in this report and at Annex 2, which reflects:
(iv)	Service budget growth proposals totalling £0.442 million, savings of (£0.828) million; additional income of (£1.186) million and forecast issues, risks and opportunities totalling £1.843 million;	(iv)	Service budget growth proposals totalling £0.995 million, savings of (£0.828) million; additional income of (£1.186) million and forecast issues, risks and opportunities totalling £1.843 million;



(v)	Central Revenue Budget net growth proposals totalling £2.379 million and forecast issues and risks totalling £0.564 million;		[No change]
(vi)	The forecast for Revenue Reserves (Annex 3) and the recommended use of £0.977 million from Reserves in 2023/24 comprising:	(vi)	The forecast for Revenue Reserves (Annex 3) and the recommended use of £1.515 million from Reserves in 2023/24 comprising:
	<ul style="list-style-type: none"> <li>£0.493 million from the IT Strategy Reserve to fund implementation of the approved IT Strategy; and</li> </ul>		[No change]
	<ul style="list-style-type: none"> <li>Up to £0.484 million from the Government Funding Risks Reserve, where necessary, to fund the forecast reduction in housing benefit subsidy;</li> </ul>		[No change]
			<ul style="list-style-type: none"> <li>£0.150 million from the Economic Pressures Reserve, to fund reinstatement of local charity funding and establishment of a Community Support Programme</li> </ul>
			<ul style="list-style-type: none"> <li>£0.097 million from the Corporate Plan Delivery Fund (CPDF) Reserve, to fund delivery of the Environmental Sustainability Strategy;</li> </ul>
			<ul style="list-style-type: none"> <li>£0.053 million from the Environmental Sustainability Reserve, to fund to delivery of the Environmental Sustainability Strategy;</li> </ul>
			<ul style="list-style-type: none"> <li>£0.049 million from the Corporate Plan Delivery Fund (CPDF) Reserve, to Complete Recycling Roll-out and improve recycling rates;</li> </ul>
			<ul style="list-style-type: none"> <li>£0.049 million from the Homelessness Prevention Reserve to Expand Resourcing for Empty Homes and Fuel Poverty;</li> </ul>
			<ul style="list-style-type: none"> <li>£0.102 million from the Corporate Plan Delivery Fund (CPDF) Reserve to strengthen Green Spaces strategy development and management capacity;</li> </ul>

			<ul style="list-style-type: none"> <li>£0.53 million from the Corporate Plan Delivery Fund (CPDF) Reserve to improve the Town Centre and Street environment.</li> </ul>
(vii)	A Capital Programme of £59.899 million for 2023/24 to 2027/28 as set out in this report and including net Capital Programme Growth Proposals of £7.672 million;		<p>A Capital Programme of £59.899 million for 2023/24 to 2027/28 as set out in this report and including net Capital Programme Growth Proposals of £7.672 million;</p> <p>That further reports be presented to Council during 2023/24 with business cases for further investment in:</p> <ul style="list-style-type: none"> <li>Environmental Sustainability</li> <li>Social Housing; and</li> <li>Recycling Roll-Out.</li> </ul>
(vii)	The updated Fees & Charges Policy (Annex 7)		[No change]
(viii)	The Chief Finance Officer's report on the robustness of the Budget estimates and adequacy of Reserves.		[No change]

### Consultation with Chief Finance Officer

The Council's Chief Finance Officer has been consulted on these alternative budget proposals and has confirmed that they comply with statutory requirements for budget-setting.